THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRIMATI JAYAWANTI MEHTA): (a) and (b) Finance Minister, in his Budget speech on Union Budget 2001-02, has announced a package of initiatives to improve the power distribution system in rural areas. This includes completion of electrification of bulk of the remaining villages in the next six years *i.e.* by the year 2007; extension of assistance to the States for village electrification works under the Prime Minister's Gramodaya Yojana (PMGY) whose funding is being augmented; stepping up credit support from the Rural Electrification Corporation to SEBs for speedy electrification of *dalit bastis*, electrification of households of Scheduled Tribes and other weaker sections of society on priority; improving the quality of power supply in villages, augmentation of distribution networks in rural areas supported by REC under the Accelerated Power Development Programme (APDP); earmarking a sum of atleast Rs. 750 crore out of RIDF for rural electrification works and augmenting the resources of REC by allowing it to float capital gains tax exemption bonds along with NABARD and NHAI under Section 54 EC of the Income Tax Act.

(c) and (d) As per CEA, all the villages in Andhra Pradesh have been electrified as on 31.1.2001. However, the proposals relating to intensive rural electrification in Andhra Pradesh would also get covered under the package of initiatives along with other States.

Electrification of tribal villages in NER

2799. SHRI KARNENDU BHATTACHARJEE: Will the Minister of POWER be pleased to state:

(a) whether it is a fact that 165 tribal villages of the North-Eastern Region will be electrified during the current financial year under the scheme of Rural Electrification;

(b) if so, the funds sanctioned for the purpose; and

(c) whether the works has actually been started and if not, by when it is likely to start?

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRIMATI JAYAWANTI MEHTA): (a) to (c) The Government has approved a scheme for electrification of 165 tribal villages in the North Eastern States at a cost of Rs. 25.92 crores under Prime Minister's socio-economic package for the North East. The Ministry of Power has already released a sum of Rs. 12.38 crores to the seven NE States as the first instalment on 26th February, 2001 for electrification of these villages. The second instalment of the allocated amount will be released on obtaining the utilisation certificate from the concerned States.

Involving private sector in electrification of rural areas

2800. PROF. M. SANKARALINGAM: Will the Minister of POWER be pleased to state:

(a) the steps taken by Government to electrify the villages in the country;

(b) whether Government propose to involve private sector in the field of electrification of rural areas of the country;

(c) if so, the terms and conditions of such involvement; and

(d) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRIMATI JAYAWANTI MEHTA): (a) From the financial year 2000-01, the funds under Rural Electrification Programme (REP) are being released directly to the States as part of normal Central assistance instead of the earlier practice of routing through the Rural Electrification Corporation (REC).

The Government is considering a Plan of Action for accelerating the process of village electrification so as to achieve 100% electrification of villages, by the year 2007. The Finance Minister, in his speech while presenting the Budget for 2001-2002, has announced a package of incentives to improve the power distribution system in rural areas. This includes completion of electrification of bulk of the remaining villages in the next 6 years; extension of assistance to the States for village electrification works under the PMGY whose funding is being augmented; stepping up credit support from REC to